GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:1
ANSWERED ON:21.07.2015
Public Distribution System
Goud Dr. Boora Narsaiah;P. Shri Nagarajan

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether losses due to corruption and leakages in Public Distribution System (PDS) have been reported during last three years and if so, the details thereof;

(b) whether the Government has formulated any action plan to strengthen and streamline PDS so as to contain leakages and check losses due to theft and pilferage and if so, the details and the present status thereof along with the success achieved therein, State/UT-wise;

(c) whether the Government proposes to link PDS with Aadhaar and if so, the details and the objectives thereof along with the benefits likely to accrue therefrom; and

(d) whether the Government proposes to universalise PDS, if so, the details thereof and the response of the States thereto?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a) to (d): A Statement is laid on the Table of the House.
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STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF THE STARRED QUESTION NO. *1 DUE FOR ANSWER ON 21.07.2015 IN THE LOK SABHA

(a): TPDS is operated under the joint responsibility of the Central and the State/Union Territory (UT) Governments wherein the operational responsibilities for implementation of TPDS within the State/UT rest with the State/UT Governments concerned. There have been complaints about irregularities including corruption and leakages in the functioning of the Targeted Public Distribution System (TPDS) in some States/regions in the country. This Department has been getting the functioning of TPDS evaluated by different agencies from time to time. No evaluation studies have been carried out in the last three years. Two evaluation studies of TPDS were got conducted through (i) National Council of Applied Economic Research (NCAER) in respect of 12 States in two phases in 2006 and 2007 (reports submitted in 2007 and 2009) and (ii) Indian Institute of Public Administration (IIPA) in respect of 14 States in two phases in 2007 (reports submitted in 2010 and 2011). The details of leakages/ diversion of foodgrains reported in these studies are at Annex-I & II. The reports received have been sent to the States/UTs concerned for taking necessary remedial measures to remove the deficiencies noticed in the functioning of TPDS.

(b): Strengthening and streamlining of TPDS is a continuous endeavour. A Nine Point Action Plan for curbing the leakages/diversion of foodgrains under TPDS was evolved in July, 2006 in consultation with the State/Union Territory (UT) Governments. Government has been regularly monitoring the action being taken by States/UTs on all essential aspects for streamlining TPDS i.e. review of lists of beneficaries, improving the offtake of allocated foodgrains, ensuring timely availability of foodgrains at Fair price Shops (FPSs), greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels, improving the viability of FPS operations, etc. by issuing advisories, holding conferences etc. The State/UT-wise details of the action taken under the Nine Point Action Plan as reported by the States/UTs upto 31.12.2014 are at Annex −III and IV.

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In October 2012, Government approved Component-I of the Plan Scheme on 'End-to-end Computerization of TPDS Operations' for its implementation on cost sharing basis during 12th Five Year Plan (2012-17). The Scheme is a Central Sector Scheme. Component-I

comprises activities, namely, digitization of ration card/beneficiary and other databases, computerization of supply-chain management, setting up of transparency portals and grievance redressal mechanisms. The National Food Security Act, 2013, notified on 10.09.2013, also contains measures for reforms in TPDS, to be undertaken progressively by the Central and State/UT Governments. These reforms inter alia include door-step delivery of foodgrains at the FPS, application of information and communication technology tools including end to end computerisation, preference to public institutions/bodies in licensing of FPSs, etc.

(c): Under the plan scheme on End-to-end Computerization of TPDS Operations, States/UTs are inter-alia required to digitize their ration card/beneficiaries' database. With a view to de-duplicate the beneficiaries database, States/UTs have also been requested to seed available 'Aadhaar numbers in digitized database. However, Aadhaar is not mandatory for distribution of entitlements. Seeding of Aadhaar numbers ensures that subsidised foodgrains are distributed only to the targeted beneficiaries.

(d): There is no proposal under consideration in Department of Food & Public Distribution to introduce universal Public Distribution System (PDS).
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